

LYNCHBURG CITY COUNCIL

Agenda Item Summary

MEETING DATE: **October 10, 2006**

AGENDA ITEM NO.: 13

CONSENT:

REGULAR: **X**

CLOSED SESSION:

(Confidential)

ACTION: **X**

INFORMATION:

ITEM TITLE: **Public Hearing - Lease Agreement with Banker Steel**

RECOMMENDATION: Adopt a resolution to approve a lease agreement with Banker Steel for lease of a seven (7) acre parcel of City-owned airport property, and authorize the City Manager to execute the agreement on behalf of the City.

SUMMARY: Banker Steel desires to lease the property for the purpose of storing structural steel, vehicles, and other materials, and for minor fabrication. The initial term of the lease is for a period of five (5) years with a second five (5) year term upon such conditions as are mutually acceptable. This same property was, until the end of 2004, leased to another steel company for essentially the same purpose.

There is a statutory requirement for a public hearing prior to leasing City property.

PRIOR ACTION(S):

October 3, 2006 Finance Committee

FISCAL IMPACT:

For the first year of the initial term, the annual rent will be \$7,000 with the rent increasing by 3.5% each year thereafter. It is anticipated that the lease will commence on or about November 1, 2006.

CONTACT(S):

Mark F. Courtney, Airport Director, 455-6091

ATTACHMENT(S): Resolution

REVIEWED BY: lkp

RESOLUTION

BE IT RESOLVED that the Lynchburg City Council approves a lease agreement by and between the City of Lynchburg and Banker Steel for lease of a certain seven (7) acre parcel located at the Lynchburg Regional Airport; and,

BE IT FURTHER RESOLVED, that the City Manager is authorized to execute the lease agreement.

Adopted:

Certified:

Clerk of Council

129L